



November 30, 2012

Mr. David Hughes  
Public Works Department  
Chatham County  
P.O. Box 910  
Pittsboro, NC 27312

RE: Proposed Amendment to:  
INTERLOCAL AGREEMENT BETWEEN CHATHAM COUNTY AND  
THE CITY OF DURHAM RESPECTING WATER SALES ("Agreement")  
Date of Agreement: August 21, 2008

Dear David,

Thank you for meeting with us this week regarding the Agreement referenced above between Chatham County ("County") and the City of Durham ("City"). As you know, the County and the City entered into this Agreement for two primary reasons. The first reason was to provide both the County and the City with an alternative water source in the event of emergencies such as the drought of 2007-08 or an unexpected equipment failure. The second reason for the Agreement was for the City to assist the County with an additional water source in the event that development within Chatham County outpaced the County's ability to develop additional water resources, thus creating a water supply shortfall within the County. As indicated by Paragraph 15 of the Agreement, it was anticipated that sales of water from the City to the County would cease upon the County's development of additional water resources.

The City would like to suggest an amendment to the Agreement that clarifies that the County will not distribute or sell water, either itself or through third parties, that will ultimately be used by end-users outside of Chatham County for the duration of the Agreement without the agreement of the City and County Managers. This was the clear intent of Paragraph 5, however the City would like this stated explicitly in the Agreement through an amendment.

We would like to move forward with this amendment before the end of the year. Please let me know as soon as possible if the County is agreeable to this amendment. We look forward to working with you to make this clarification.

Sincerely,

Donald F. Greeley, PE, PLS  
Director